

# THE COMMONWEALTH GROWS

## WELCOME COUNCIL MEMBERS

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### ***Save These Dates***

December 16th  
Farm Family Education  
Expo at Greenbo State  
Park.

December 20th  
Agricultural Develop-  
ment Board Meeting at  
the Kentucky History  
Center.

On behalf of the state Agricultural Development Board and our staff in the Governor's Office of Agricultural Policy, I want to extend a warm welcome to the new members of county agricultural development councils across the Commonwealth. I also want to welcome back those veteran members who decided to commit even more of their time and energy over the next two years to the historic process to revitalize Kentucky's agricultural economy. The commitment of our county council members has been the driving force behind the state's efforts to help tobacco farm families find new and better sources of farm income as changes in the tobacco economy take place. In addition to planning for the future of agriculture in all of Kentucky's 120 counties, and prioritizing the use of funds earmarked for each county, county council leadership has influenced virtually every decision of the state Agricultural Development Board.

In the coming months, you will see the state board provide strong leadership in the areas of market development and improving access to capital for farmers and processors.

You will also see an emphasis on a frank and comprehensive evaluation of the first two years of this effort, including model programs and other projects, to determine how effective our efforts are at increasing net farm income while reducing tobacco dependence. On that note, we will be asking county councils to work with the administrators of county model programs to submit required reports to us on or before the dates they are due. These reports and the evaluation of them are critical components of a program that must be administered with the highest levels of integrity and accountability, aiming for the highest returns on investment, to maintain the public faith in this effort.

We look forward to your service on your county council, and we appreciate your willingness to share your leadership resources with the farmers in your county and those across the state. Please feel free to contact our office, especially your regional contact here, should you ever have any concerns or questions about the Agricultural Development Fund, our policies and our programs. Our county councils represent the backbone of this effort, and we look forward to working with you.

  
Executive Director

*Making a difference in Kentucky's agricultural communities  
by cultivating new economic prosperity.*

# MEET YOUR STATE BOARD

John-Mark B. Hack, CEO

## **Statutory Members**

Gov. Paul Patton (Chair)

Billy Ray Smith, Commissioner of Agriculture (Vice Chair)

Marvin E. (Gene) Strong, Secretary of Economic Development

Dr. M. Scott Smith, Director of the Kentucky Cooperative Extension Service

## **Appointed Members**

### **Sam Moore, Butler County**

President of Kentucky Farm Bureau  
Representative of Kentucky Farm Bureau  
Serving a one year term

### **Sam Lawson, Warren County**

President of Hartland Equipment Co.  
Representative of Kentucky Chamber of Commerce  
Serving a three year term

### **Daniel Case, Robertson County**

Vice President of the Citizens Bank in Sharpsburg  
Agricultural lender  
Serving a two year term

### **Larry Clay, Perry County**

Beef and forage producer  
Serving a four year term

### **Seth Conner, Hickman County**

Cash grain farmer  
Serving a three year term

### **Susan Harkins, Bourbon County**

Freshwater shrimp, fish, & vegetable producer  
Serving a three year term

### **Wayne Hunt, Christian County**

Cash grain and tobacco producer. Agribusiness owner  
Serving a two year term

### **Willa Poynter, Mason County**

Tobacco and dairy farmer  
Serving a one year term

### **Howard (Eddie) Sellers, III, Woodford County**

Grain, tobacco, and hay producer  
Serving a four year term

### **Michael L. Slaughter, Hart County**

Tobacco, vegetable, and cattle producer  
Serving a four year term

### **Vickie Yates Brown, Jefferson County**

Attorney with farm experience  
Serving a two year term

## ***Agricultural Development Board Investment Philosophy***

*The Kentucky Agricultural Development Board will invest monies from the Kentucky Agricultural Development Fund in innovative proposals that increase net farm income and affect tobacco farmers, tobacco-impacted communities, and agriculture across the state through stimulating markets for Kentucky agricultural products, finding new ways to add value to Kentucky agricultural products, and exploring new opportunities for Kentucky farms and farm products.*



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# The Application Process

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The common question that arises when working with applicants is, "Why does the process take so long?" To give you a better understanding of the application process below is an outline you can use as a guide. Take into consideration this does not include the county level process, as each county has different schedules for meeting dates and reviews.

## **Application Arrives at Governor's Office of Agricultural from County Council**

Upon arrival the application is given a number entered into the database and then is assigned to a Project Manager based upon the Extension Area for the county where the application originates. If the application is received by the end of the month then it will go on the Board referral list for the following month. For example if an application arrives by October 31, 2002 it will be referred to the Board's Project Review Committee at the November 2002 Board Meeting. Then the project will be reviewed at the December 2002 Board Project Review Meeting.

## **Staff Review**

Each week all Project Analysts meet to review projects referred to the Board. County Model programs can receive staff approval and begin the funding process before ratification at a board meeting if all state guidelines are met or exceeded. All non-model applications begin the review process at this time and each Project Analyst works with the applicant to ensure that the application is complete before it is reviewed by the Board. Pended projects do not go to the full Board meeting.

## **Board Project Review**

The Board Project Review meets the second Friday of each month, unless otherwise noted. There are two Board Project Review Committees, the Blue and the Red. Each committee reviews a different subset of applications. Each project is discussed in detail at Board Project Review and a Committee makes one of the following recommendations to the full board: fund, no funding, refer to KCADE, or pend for further information.

## **Board Meeting**

The full Agricultural Development Board meets the third Friday of each month, unless otherwise noted. The full board takes the recommendations from the Board Project Review Meetings and makes final decisions on applications and any other agenda items.

## **After the Board Meeting**

Once the Board has made a decision, the applicant will be notified. Denied applications will be notified in writing of the reason for denial. Applicants may address the reasons the project was not funded and re-submit the application. If an application has been approved the project analyst will notify the applicant and indicate the date of approval, amount of funding and confirm the terms of the project approved by the Agricultural Development Board. The Project Analyst and Agricultural Development Board Legal Counsel will then draft an agreement and send it to the organization for review.

## **The Legal Contract**

It is important to follow the instructions contained in the letter from the legal counsel. If the agreement is acceptable an authorized individual of the organization must sign the agreement. A document indicating that the individual executing the agreement possesses the authority from the organization to sign said agreement is also required.

## **Disbursement**

When the organization is ready to begin receiving funds, a "Request for Proceeds" that includes the amount requested must accompany the returned legal agreement, or check requests can be made by mail or email once the agreement has been returned to the office with all necessary signatures and supporting documents. Checks can not be requested without this documentation. Checks are handled with expediency and usually complete the process in 10 days to 2 weeks. Checks are mailed from GOAP with a letter confirming the balance of the grant.

## **Reporting & Monitoring**

All Funded Projects are required to fulfill whatever terms and conditions are stipulated at the time of funding and quarterly reporting requirements in the legal agreement.

**The Project Analyst is always there to help through the process.  
Please contact the Project Analyst working for your Extension Area or other staff at anytime with questions.**

## **\$1,272,375 Invested in Kentucky Agricultural Diversification in September**

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### **State Agricultural Development Funds approved:**

#### **\$74,500 Triple T Greenhouse, Inc.**

Triple T was awarded funds to develop and coordinate markets for fresh culinary herbs and specialty items. Funds will allow for an increase in the numbers of producers who will be able to take advantage of this emerging market and will provide production education to new growers along with technical support.

#### **\$300,000 Shuckman's Restaurant Service, Inc.**

Shuckman's was awarded funds to acquire and update processing and manufacturing equipment to expand production of Kentucky aquaculture products. Shuckman's will pay a premium price to aquaculture producers for products that meet quality standards.

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### **Kentucky Center for Agricultural Development and Entrepreneurship funds approved:**

#### **\$30,000 Kentucky Dairy Ventures**

Kentucky Dairy Ventures was awarded funds for technical assistance and support for the farmer-owned entity being formed by members of the Kentucky Milk Producers Association, and Bluegrass Dairy and Food Products LLC. The joint venture works to establish Dairy Value Added LLC and position Kentucky milk producers to enter new markets for value-added dairy products.

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### **County Agricultural Development Funds approved:**

#### **\$300,000 Bath County**

The Bath County Agriculture Extension Foundation, Inc. will build the Bath County Agricultural Education and Marketing Center off of I-64 in Owingsville. Funds will be used for the farmer's market that will be open to all producers of agricultural products.

#### **\$10,000 Hardin County**

The John Hardin High School AgriScience Department will build a greenhouse as part of an agricultural science complex for the study of horticulture, aquaculture, hydroponics, and other emerging technologies

#### **\$32,275 Grant County**

The Williamstown School District will develop the county's agricultural education infrastructure through construction of an alternative agriculture center that will provide instruction and demonstration to both high school students and adults participating in the model agricultural diversification program.

#### **\$750 Marshall County**

The Marshall County Conservation District will administer a Home and Farm Safety Day for 5th graders

#### **\$2,750 Pulaski County**

The Pulaski County Extension Service will cost-share on the Farm Business Analysis Program for producers in Pulaski County.

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## \$889,126.44 Invested in Kentucky Agricultural Diversification in October

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### County Agricultural Development Funds approved:

#### **\$20,000 Breckinridge County FFA**

The Breckinridge County FFA received funding for the expansion of youth livestock and safety programs. Grant funds will be used for equipment to hold youth livestock programs in the county, and FFA will allow entities throughout the county to utilize the facilities for small ruminants, such as goats.

#### **\$4,000 Hickman County Agriculture Development Council**

Hickman County Agricultural Development Council received funding for a contribution to the Purchase Area Aquaculture Cooperative. The funds will go toward the purchase of equipment and the marketing of product.

#### **\$1,750 Bracken County Agricultural Advancement Council, Inc.**

Bracken County Agricultural Advancement Council received funding to purchase a cattle-working equipment trailer and to modify vegetable equipment to make it transportable. Both pieces of equipment will be made accessible to individuals throughout the county on a first come basis.

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## Project Analysts by Extension Districts

We have had a few changes in staff over the last couple of months, so be sure to note if you have a new contact for your area. The Project Analyst is your voice to the Board, so be sure to take the time to get to know the Project Analyst for your County Council!

Bluegrass Area: Angela Utterback

Fort Harrod Area: Jeff Harper

Green River Area: Bill McCloskey

Lake Cumberland: Steve Yates\*

Licking River: Jeff Harper

Lincoln Trail: Bill McCloskey\*

Louisville: Joel Neaveill

Mammoth Cave: Bill McCloskey

Northeast Kentucky: Penny Cline

Northern Kentucky: Penny Cline\*

Pennyroyal: Stephen Yates

Purchase: Stephen Yates

Quicksand: Angela Utterback

Wilderness Trail: Penny Cline

\*Interim Project Analyst

**To contact the Project Analyst for your area visit our web-site at [www.kyagpolicy.com](http://www.kyagpolicy.com) or call the Governor's Office of Agricultural Policy at (502) 564-4627**

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## Investments in Model Programs

### Agricultural Diversification Program

**\$4,634,071.24**

**54 Counties**

### Cattle Genetic Program

**\$7,049,943.89**

**101 Counties**

### Cattle Handling Program

**\$9,547,855.43**

**92 Counties**

### Forage Improvement Program

**\$13,525,110.67**

**94 Counties**

### Goat Diversification Program

**\$1,702,465.00**

**58 Counties**

# COUNTY MODEL PROGRAMS

## Forage Improvement Program

The purpose of this program is to improve net farm income through improved forage quality, quantity, and efficient use, as well as, encourage science-based forage management decisions.

Eligible investment areas include: select seed (clover, alfalfa, warm season grasses, select cool season grasses), lime and fertilizer; filter fabric pads; rotational grazing (fence & water); shared-use equipment for forage and pasture improvement; and custom seeding.

All areas are on a 50% cost-share reimbursement basis with a maximum per farm expenditure of \$5,000 for all areas, excluding shared-use equipment.

## Cattle Genetic Program

The purpose of this program is to increase the genetic quality of cattle in Kentucky through the selection of superior sires, either through purchase/lease of sires or artificial insemination. The program provides 50% cost-share funds, not to exceed \$1,250, for the purchase or lease of bulls, or the purchase of semen. Both beef and dairy producers can benefit from this program.

Beef bulls must meet the recommended Expected Progeny Differences (EPD) requirements established by the University of Kentucky. Dairy bulls must fall within the top 20% of the Net Merit Dollar Score.

## Cattle Handling Program

The purpose of this program is to improve net farm income by promoting best management and health practices that augment efficient production and marketing opportunities. Eligible investment areas include: handling facilities & equipment for beef and dairy cattle, secure lot or pen for bulls, weaning pens, and shared-used handling equipment.

Materials are cost-shared on a 50% reimbursement basis. To be eligible, a producer must have a minimum herd size of 10 mature cows, or 35 backgrounding cattle. The maximum amount of cost-share is \$3,000 per producer. However, producers who participate in the CPH-45 (Certified Preconditioned for Health) program receive a \$2,000 bonus, bringing their cost-share maximum to \$5,000 per producer.



**Coming soon...**

**Hay, Straw, & Grain Storage Model Program**

**For more information contact the Governor's Office of Agricultural Policy**



# COUNTY MODEL PROGRAMS

CONTINUED

## Agricultural Diversification Program

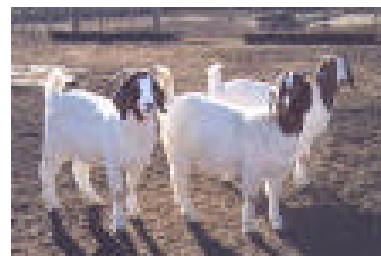
The main goal of this program is to improve net farm income through the development and expansion of new agricultural products and through the development of new ways of working with existing agricultural commodities.

Eligible investment areas include: commercial horticulture, herbs, sweet sorghum, ornamentals, greenhouse conversion, aquaculture, silvaculture, equine, direct-to-consumer value-added livestock sales, dairy.

Participants in this program may receive up to \$5,000 in cost share assistance per farm, based upon the 50% cost share requirement. A revolving loan program is also an option available to counties.

## Goat Diversification Program

This program was developed with the following five goals in mind: 1) Assist producers in diversifying into goat production; 2) Position goat production as a viable income source for Kentucky producers; 3) Promote animal health and encourage science-based solutions to herd management; 4) Encourage the development of meat and dairy goat production, marketing and value-added processing; and 5) Improve the genetic base of Kentucky's goat herds. This is a 50% cost-share reimbursement program. Each area of this program has its own cost-share limits: \$2,000 for eligible handling equipment, \$1,500 for the purchase of breeding does (\$100 maximum per doe), \$1,000 for the purchase of a full-blooded or purebred buck and \$250 for the lease of a full-blooded or purebred buck.



***Over \$36 million in county funds has been invested in County Model Programs since January 2001.***



To keep up to date on changes and reporting information on the model programs check out our website at  
[http://www.kyagpolicy.com/funds/model\\_programs.shtml](http://www.kyagpolicy.com/funds/model_programs.shtml)

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**Paul E. Patton**  
Governor

**John-Mark Hack**  
Executive Director,

**Kara K. Keeton**  
Communications Director

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## *Seasons Greetings!*

*During the Holiday Season more than ever, our  
thoughts turn gratefully to those who have made our  
progress possible. And in this spirit we say,  
simply but sincerely  
Thank You and Best Wishes for the Holiday Season  
and a Happy New Year*

*The Kentucky Agricultural Development Board  
Governor's Office of Agricultural Policy*